

Michael D. Maves, MD, MBA, Executive Vice President, CEO

December 21, 2009

The Honorable Harry Reid Majority Leader United States Senate Washington, DC 20510

Dear Senator Reid:

On behalf of the American Medical Association (AMA), I am writing to express our support for Senate passage of H.R. 3590, the "Patient Protection and Affordable Care Act," as amended. H.R. 3590 makes important strides toward providing affordable, high-quality health care coverage to all Americans.

The AMA firmly supports critical aspects of the bill that expand access to health insurance coverage, reform insurer practices, implement administrative simplifications, and promote wellness and prevention. Important improvements have been made as the legislative process has moved forward. However, there is still work to be done.

Additional refinements of Medicare data release and quality improvement initiatives should ensure that these policies produce accurate, scientifically valid, verifiable information for patients and physicians. Efforts at cost containment through an independent payment advisory board will also require modifications to ensure the transparency and accountability of the policymaking process, and prevent the burden of addressing Medicare's financial condition from falling unevenly on any one sector of providers.

Of course, before any health reform effort, including this one, will prove successful, Congress must address Medicare's fatally flawed physician reimbursement formula, the Sustainable Growth Rate (SGR). This bill relies heavily on the Medicare program to drive changes in provider and patient behavior in the health care system as a whole. However, delivery reforms and incentive policies will not effectively function while the SGR is still in place. Physicians, and increasingly patients, are rapidly losing faith in the ability of Congress to address this critical issue. It is for that reason that the AMA will oppose efforts to apply temporary band-aids beyond the 60-day extension included in the FY 2010 Defense appropriations bill. Congress must replace the SGR early next year in order to achieve the access, payment and delivery reform goals envisioned by H.R. 3590. We will not support a final Conference Report without a clear pathway for passage of a permanent repeal of the SGR formula early next year.

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This is a time of great opportunity for the American health care system. We have the chance to substantially expand health insurance coverage; implement insurance market reforms that promote greater choice, affordability and security; improve the quality of the care; and help ensure Americans live longer, healthier, happier, and more productive lives. To that end, we urge all Senators to support passage of H.R. 3590, the "Patient Protection and Affordable Care Act," as amended, and look forward to continuing to work with you and your colleagues in the House to resolve outstanding issues during the House-Senate conference.

Sincerely,

Michael D. Maves, MD, MBA

cc: United States Senate